

## **15% REFUND – HEADQUARTERS LOCATION**

A 15% refund calculated upon Qualified Expenses that are necessary for the production of a theatrical film or television show in Tennessee. In order to qualify for the 15% refund the production company must be headquartered in Tennessee and it or its subsidiary must incur at least \$1,000,000 in qualified expenses in the state. **This refund is administered through the Department of Revenue.**

## **QUALIFICATIONS FOR HEADQUARTERS 15% REFUND.**

- Production Company must establish a permanent headquarters facility in Tennessee.
- If the qualified production company does not have a headquarters facility, then any qualified investor that has a Tennessee headquarters may qualify for the refund. The qualified investor shall be allowed a refund equal to the amount of refund that the production company would have been entitled to had it established a headquarters facility, multiplied by the qualified investor's percentage ownership interest in the qualified production company.
- Production Company must incur at least \$1,000,000 in qualified expenses. "Qualified expenses" means those expenses incurred in Tennessee that both the Commissioner of Revenue and the Commissioner of Economic and Community Development determine, in their sole discretion, are necessary for the production of a theatrical film or television show in Tennessee that is in the best interests of this state. For purposes of this subsection, "best interests of this state" includes, but is not limited to, a determination that production of the film does not require that records be maintained pursuant to 18 U.S.C. Section 2257 with respect to any performer portrayed in the film.
- In order for either a qualified production company or a qualified investor to become entitled to a refund, the qualified production company must submit documentation to the state verifying the qualified expenses. The Commissioner of Revenue shall review documentation submitted and notify the qualified production company of the amount approved, if any.
- The production company or the qualified investor may then submit a claim for refund.